

MARK D. WALDRON
Chapter 11 Trustee
6711 Regents Blvd. W., Suite B
Tacoma, WA 98466
Telephone: (253) 565-5800

The Honorable Frederick P. Corbit
Chapter 11

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF WASHINGTON

In Re:

GIGA WATT INC.

Debtor.

Case No. 18-03197-FPC11

CHAPTER 11 TRUSTEE'S MONTHLY
FINANCIAL REPORT FOR JANUARY 2020

COMES NOW Mark D. Waldron, the Court-appointed and acting Chapter 11 Trustee in the above proceeding, and files this Monthly Financial Report for the month of January 2020. Attached to this report are the Ledger Report (Exhibit 1), Operating Statement (Exhibit 2), and bank statement for January 2020 (Exhibit 3), incorporated herein by reference. Also attached is a detailed narrative report from Court-appointed consultant Douglas Pratt regarding Giga Watt's mining operations for January 2020 (Exhibit 4), incorporated herein by reference.

1. Moses Lake Facility. The Estate continues to operate the Moses Lake facility. Mining revenues for January 2020 at Moses Lake were \$258,390.02, with an



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1 additional \$22,653.90 of revenue from subtenant Eco Diversified Holdings for its
2 February 2020 rent (\$9,000.00) and proportional obligation for the January 2020
3 utilities (\$13,653.90). The utility payments are current and the Estate also paid a utility
4 deposit bond renewal at the Moses Lake facility (for Parcel C). With regard to rent, the
5 Estate paid \$30,000.00 of the \$61,000.00 rent due. As indicated in the Monthly Financial
6 Report for December 2019, the Trustee is working with the landlord at the Moses Lake
7 facility on rent deferrals while the Trustee is actively discussing sale of both the Moses
8 Lake and TNT facilities with potential buyers and interested parties.

9 2. TNT Facility. The Estate continues to operate the TNT facility in East
10 Wenatchee. Mining revenues at TNT for January 2020 were \$93,166.48. Pursuant to the
11 Court-approved Super-Priority Unsecured Credit Agreement, the Estate is current on the
12 payments due the DIP lender. In addition, the rent and utility payments are current at the
13 TNT facility.

14 In October 2019, the Trustee sent written notice to the TNT landlord of Giga
15 Watt's intention to exercise the lease renewal for Building C, with the new lease term
16 commencing on December 1, 2019. The landlord and Trustee have been discussing the
17 renewal rate and have agreed, subject to Court approval, that the lease rate for Building C
18 should increase by \$300.00 per month, effective February 1, 2020, and have annual
19 increases of 2.5% for the renewing term of the lease, through November 2024. The
20 Trustee believes this is reasonable and reflects market rent. The Trustee and landlord
21 have executed an Amendment of Commercial Lease Agreement and Trustee will be filing
22 a motion for Court approval.

23 3. Employment of Professionals. Each of the individuals working for Giga Watt
24 executed Independent Contractor Agreements, which set forth that the Estate would not
25



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1 provide any benefits, pay any taxes, or provide any insurances. Effective for 2020 and in
2 furtherance of those agreements, the Trustee requested that the Independent Contractor
3 Agreements be with entities rather than individuals. In compliance therewith, each person
4 provided to the Trustee a newly executed agreement with a Taxpayer Identification
5 Number. This was done for the protection of the Bankruptcy Estate. The Ledger Report
6 (Exhibit 1) reflects payments to these entities, each of which is owned by one of the
7 Independent Contractors who have been working for the Estate since 2019. The workforce
8 has not changed and there are no new individuals, the payments are now made to those
9 individuals' entities, as follows:

<u>Entity</u>	<u>Owner</u>
NCW Consulting LLC	Lauren Mieke
Cuttin Rugs LLC	Allen Oh
Blockchain Automation LLC	Douglas Pratt
A Harrison Consulting LLC	Austin Harrison
S Simpson Consulting LLC	Skyler Simpson
P Jaimes Consulting LLC	Porforio Jaimes
Aggle LLC	David Knowles

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16 4. The Court-appointed CPA continues to prepare Debtor's required monthly
17 tax reports, specifically the Department of Revenue reporting, and the Estate continues to
18 pay the corresponding B&O taxes due. At month end, the Debtor was not delinquent on
19 any post-petition tax obligations.

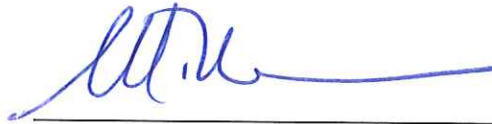
20 5 For purposes of calculating the Debtor's obligations under 28 USC 1930(a)(6)
21 to pay a quarterly fee to the United States Trustee, **TOTAL DISBURSEMENTS** for the
22 month of January 2020 were **\$316,334.42**. The Trustee continues to file Monthly Financial
23 Reports and pay the quarterly U.S. Trustee fees pursuant to the current rate schedule. All
24 U.S. Trustee fee payments and all Monthly Financial Reports are current.



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1 I certify under penalty of perjury that the information contained in this Monthly
2 Financial Report is complete, true, and accurate to the best of my knowledge, information
3 and belief.

4 **DATED** this 12th day of February, 2020.

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7 MARK D. WALDRON, WSBA# 9578
8 Chapter 11 Trustee for the Estate of
9 Giga Watt Inc.
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Ledger Report

Case Number: 18-03197-FPC11 FPC
Case Name: GIGA WATT INC.
Taxpayer ID #: 81-4797010
Period: 01/01/20 - 01/31/20

Trustee: Mr. Mark D. Waldron (670070)
Bank Name: Metropolitan Commercial Bank
Account: *****25 - Checking Account
Blanket Bond: \$0.00 (per case limit)
Separate Bond: N/A

Trans. Date	{Ref #} / Check #	Paid To / Received From	Description of Transaction	Ledger Code	Receipts \$	Disbursements \$	Checking Account Balance
01/02/20		Eco Diversified Holdings	January 2020 rent for Pod 8 of Parcel E pods, Moses Lake facility	4002-00	9,000.00		83,764.30
01/02/20		Moses Lake (\$44,464.74) and TNT (\$17,110.36) facilities	Mining operations	4001-000	61,575.10		145,339.40
01/02/20	344	U.S. Trustee	Acct #802-18-03197, US Trustee fee for 4th Quarter 2019	6001-000		4,875.00	140,464.40
01/02/20	345	Insta Stor Inc.	Invoice #3386 (storage container rental through January 2020)	6004-000		134.88	140,329.52
01/03/20		MLDC I, LLC	100% of Moses Lake revenue (through 1/2/19)	6003-000		44,464.74	95,864.78
01/06/20		Randy Michelson	Loan payment per Super-Priority Unsecured Credit Agreement (TNT)	6004-000		25,000.00	70,864.78
01/09/20		Moses Lake (\$47,825.81) and TNT (\$17,729.13) facilities	Mining operations	4001-000	65,554.94		136,419.72
01/10/20	346	Douglas County PUD	Account #735917, utilities for December 2019 (TNT facility)	6010-000		42,020.00	94,399.72
01/10/20	347	Cascade Equipment Sales, LLC	Invoice #2180 (trailer rental for November and December 2019)	6004-000		2,000.00	92,399.72
01/10/20	348	LocalTel	Account #61297, statement dated 12-27-19 (TNT facility)	6010-000		110.85	92,288.87
01/10/20	349	Waste Management of Wenatchee	Customer ID #19-19019-33003, Invoice #1850152-2674-8 (TNT)	6010-000		124.28	92,164.59
01/10/20	350	Mark D. Waldron	Partial payment of Trustee fees per Order entered 11-20-19 (Docket #422)	6002-001		5,000.00	87,164.59
01/10/20	351	Mark D. Waldron	Reimbursement of costs advanced (11-9-19 through 12-5-19)	6002-002		328.66	86,835.93
01/10/20		MLDC I, LLC	77% of Moses Lake revenue (through 1-9-20)	6003-000		36,825.87	50,010.06
01/13/20	352	Cuttin Rugs LLC	Invoices #43 and #44 (Moses Lake, through	6007-013		4,364.48	45,645.58
Subtotals :					\$136,130.04	\$165,248.76	

{} Asset reference(s)

Ledger Report

Case Number: 18-03197-FPC11 FPC
Case Name: GIGA WATT INC.
Taxpayer ID #: 81-4797010
Period: 01/01/20 - 01/31/20

Trustee: Mr. Mark D. Waldron (670070)
Bank Name: Metropolitan Commercial Bank
Account: *****25 - Checking Account
Blanket Bond: \$0.00 (per case limit)
Separate Bond: N/A

Trans. Date	{Ref #} / Check #	Paid To / Received From	Description of Transaction	Ledger Code	Receipts \$	Disbursements \$	Checking Account Balance
			1-10-20)				
01/13/20	353	NCW Consulting LLC	Invoice dated 1-12-20 (TNT through 1-10-20)	6007-013		4,425.00	41,220.58
01/13/20	354	NCW Consulting LLC	Invoice dated 1-12-20 (Moses Lake through 1-10-20)	6007-013		525.00	40,695.58
01/13/20	355	Blockchain Automation LLC	Invoice dated 12-31-19 (through 12-30-19)	6007-013		843.75	39,851.83
01/13/20	356	Aggle LLC	Invoice dated 1-12-20 (TNT through 1-9-20)	6007-013		1,820.00	38,031.83
01/13/20	357	P Jaimes Consulting LLC	Invoice dated 1-12-20 (Moses Lake through 1-10-20)	6007-013		1,535.50	36,496.33
01/13/20	358	A Harrison Consulting LLC	Invoice dated 1-12-20 (Moses Lake through 1-10-20)	6007-013		2,400.00	34,096.33
01/13/20	359	S Simpson Consulting LLC	Invoice dated 1-12-20 (Moses Lake through 1-11-20)	6007-013		2,000.00	32,096.33
01/14/20		Eco Diversified Holdings	Utilities for December 2019, Pod 8 of Parcel E pods, Moses Lake	4099-000	13,653.90		45,750.23
01/16/20		Moses Lake (\$51,329.97) and TNT (\$19,455.47) facilities	Mining operations	4001-000	70,785.44		116,535.67
01/21/20		MLDC I, LLC	77% of Moses Lake revenue (through 1-16-20)	6003-000		39,524.08	77,011.59
01/23/20		Moses Lake (\$58,309.80) and TNT (\$19,242.73) facilities	Mining operations	4001-000	77,552.53		154,564.12
01/24/20		MLDC I, LLC	77% of Moses Lake revenue (through 1-23-20)	6003-000		44,898.55	109,665.57
01/27/20	360	Cuttin Rugs LLC	Invoices #45 and #46 (Moses Lake through 1-4-20)	6007-013		6,000.00	103,665.57
01/27/20	361	NCW Consulting LLC	Invoice dated 1-26-20 (TNT through 1-25-20) Voided on 01/27/20	6007-013		5,137.50	98,528.07
01/27/20	361	NCW Consulting LLC	Invoice dated 1-26-20 (TNT through 1-25-20) Voided: check issued on 01/27/20	6007-013		-5,137.50	103,665.57
Subtotals :					\$161,991.87	\$103,971.88	

{ Asset reference(s)

Ledger Report

Case Number: 18-03197-FPC11 FPC
Case Name: GIGA WATT INC.
Taxpayer ID #: 81-4797010
Period: 01/01/20 - 01/31/20

Trustee: Mr. Mark D. Waldron (670070)
Bank Name: Metropolitan Commercial Bank
Account: *****25 - Checking Account
Blanket Bond: \$0.00 (per case limit)
Separate Bond: N/A

Trans. Date	{Ref #} / Check #	Paid To / Received From	Description of Transaction	Ledger Code	Receipts \$	Disbursements \$	Checking Account Balance
01/27/20	362	Aggle LLC	Invoice dated 1-26-20 (TNT through 1-24-20)	6007-013		2,240.00	101,425.57
01/27/20	363	P Jaimes Consulting LLC	Invoice dated 1-26-20 (Moses Lake through 1-25-20)	6007-013		1,581.75	99,843.82
01/27/20	364	S Simpson Consulting LLC	Invoice dated 1-26-20 (Moses Lake through 1-24-20)	6007-013		2,000.00	97,843.82
01/27/20	365	A Harrison Consulting LLC	Invoice dated 1-26-20 (Moses Lake through 1-24-20)	6007-013		2,400.00	95,443.82
01/27/20	366	TNT Business Complexes, LLC	Lease payment for February 2020 (TNT facility) Voided on 01/27/20	6003-000		12,000.00	83,443.82
01/27/20	366	TNT Business Complexes, LLC	Lease payment for February 2020 (TNT facility) Voided: check issued on 01/27/20	6003-000		-12,000.00	95,443.82
01/27/20	367	NCW Consulting LLC	Invoice dated 1-26-20 (TNT through 1-25-20)	6007-013		5,175.00	90,268.82
01/27/20	368	TNT Business Complexes, LLC	Lease payment for February 2020 (TNT facility)	6003-000		11,900.00	78,368.82
01/28/20		Washington State Department of Revenue	604-067-749 Giga Watt, Inc. B&O taxes due for December 2019	6006-002		3,788.72	74,580.10
01/30/20		Moses Lake (\$56,459.70) and TNT (\$19,628.79) facilities	Mining operations	4001-000	76,088.49		150,668.59
01/31/20		MLDC I, LLC	Rent, utilities, utility bond renewal	6003-000		18,028.31	132,640.28

Subtotals : \$76,088.49 \$47,113.78

{ Asset reference(s) }

Ledger Report

Case Number: 18-03197-FPC11 FPC
Case Name: GIGA WATT INC.
Taxpayer ID #: 81-4797010
Period: 01/01/20 - 01/31/20

Trustee: Mr. Mark D. Waldron (670070)
Bank Name: Metropolitan Commercial Bank
Account: *****25 - Checking Account
Blanket Bond: \$0.00 (per case limit)
Separate Bond: N/A

Trans. Date	{Ref #} / Check #	Paid To / Received From	Description of Transaction	Ledger Code	Receipts \$	Disbursements \$	Checking Account Balance
ACCOUNT TOTALS							
					3,840,850.13	3,708,209.85	\$132,640.28

TOTAL - ACCOUNT *****25

Balance Forward	74,764.30			
2 Deposits	22,653.90	25	Checks	103,804.15
0 Interest Postings	0.00	7	Adjustments Out	212,530.27
Subtotal	\$97,418.20	0	Transfers Out	0.00
5 Adjustments In	351,556.50		Total	\$316,334.42
0 Transfers In	0.00			
Total	\$448,974.70			

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GIGA WATT INC. (18-03197-FPC11)

Page: 1

Operating Statement

Period: 01/01/20 - 01/31/20

Income

4001-000 Revenue from Operating Business				
4001-000 Revenue from Operating Business				
01/02/20	Dep. Adj.: 96	3910019625	Moses Lake (\$44,464.74) and TNT (\$17,110.36) facilities Mining operations	\$61,575.10
01/09/20	Dep. Adj.: 99	3910019625	Moses Lake (\$47,825.81) and TNT (\$17,729.13) facilities Mining operations	\$65,554.94
01/16/20	Dep. Adj.: 101	3910019625	Moses Lake (\$51,329.97) and TNT (\$19,455.47) facilities Mining operations	\$70,785.44
01/23/20	Dep. Adj.: 103	3910019625	Moses Lake (\$58,309.80) and TNT (\$19,242.73) facilities Mining operations	\$77,552.53
01/30/20	Dep. Adj.: 106	3910019625	Moses Lake (\$56,459.70) and TNT (\$19,628.79) facilities Mining operations	\$76,088.49
				\$351,556.50
4002-00 Rents				
4002-00 Rents				
01/02/20	Deposit: 100021-1	3910019625	Eco Diversified Holdings January 2020 rent for Pod 8 of Parcel E pods, Moses Lake facility	\$9,000.00
				\$9,000.00
4099-000 Other Receipts				
4099-000 Other Receipts				
01/14/20	Deposit: 100022-1	3910019625	Eco Diversified Holdings Utilities for December 2019, Pod 8 of Parcel E pods, Moses Lake	\$13,653.90
				\$13,653.90
Total Income				\$374,210.40

Expenses

6001-000 US Trustee Fees				
6001-000 US Trustee Fees				
01/02/20	Check: 344	3910019625	U.S. Trustee Acct #802-18-03197, US Trustee fee for 4th Quarter 2019	\$4,875.00
				\$4,875.00
6002-000 Trustee Fees & Expenses				
6002-001 Trustee Compensation				
01/10/20	Check: 350	3910019625	Mark D. Waldron Partial payment of Trustee fees per Order entered 11-20-19 (Docket #422)	\$5,000.00
				\$5,000.00
6002-002 Trustee Expenses				
01/10/20	Check: 351	3910019625	Mark D. Waldron Reimbursement of costs advanced (11-9-19 through 12-5-19)	\$328.66
				\$328.66
				\$5,328.66
6003-000 Admin. Rent				
6003-000 Admin. Rent				
01/03/20	Disb. Adj.: 97	3910019625	MLDC I, LLC 100% of Moses Lake revenue through 12/31/19	\$44,464.74

GIGA WATT INC. (18-03197-FPC11)**Operating Statement**

Period: 01/01/20 - 01/31/20

01/10/20	Disb. Adj.: 100	3910019625	MLDC I, LLC	\$36,825.87
			77% of Moses Lake revenue (through 1-9-20)*	
01/21/20	Disb. Adj.: 102	3910019625	MLDC I, LLC	\$39,524.08
			77% of Moses Lake revenue (through 1-16-20)	
01/24/20	Disb. Adj.: 104	3910019625	MLDC I, LLC	\$44,898.55
			77% of Moses Lake revenue (through 1-23-20)	
01/27/20	Void: 366	3910019625	TNT Business Complexes, LLC	\$0.00
			Lease payment for February 2020 (TNT facility)	
01/27/20	Check: 368	3910019625	TNT Business Complexes, LLC	\$11,900.00
			Lease payment for February 2020 (TNT facility)	
01/31/20	Disb. Adj.: 107	3910019625	MLDC I, LLC	\$18,028.31
			Rent, utilities, utility bond renewal	
				<hr/>
				\$195,641.55
<hr/>				
6004-000 Costs to Secure/Maintain Property				
6004-000 Costs to Secure/Maintain Property				
01/02/20	Check: 345	3910019625	Insta Stor Inc.	\$134.88
			Invoice #3386 (storage container rental through January 2020)	
01/06/20	Disb. Adj.: 98	3910019625	Randy Michelson	\$25,000.00
			Loan payment per Super-Priority Unsecured Credit Agreement (TNT)	
01/10/20	Check: 347	3910019625	Cascade Equipment Sales, LLC	\$2,000.00
			Invoice #2180 (trailer rental for November and December 2019)	
				<hr/>
				\$27,134.88
<hr/>				
6006-002 Taxes - State				
6006-002 Taxes - State				
01/28/20	Dep. Rev.: 105	3910019625	Washington State Department of Revenue	\$3,788.72
			604-067-749 Giga Watt, Inc. B&O taxes due for December 2019	
				<hr/>
				\$3,788.72
<hr/>				
6007-000 Professional Fees & Expenses				
6007-013 Consultant for Trustee Fees				
01/13/20	Check: 352	3910019625	Cuttin Rugs LLC	\$4,364.48
			Invoices #43 and #44 (Moses Lake, through 1-10-20)	
01/13/20	Check: 353	3910019625	NCW Consulting LLC	\$4,425.00
			Invoice dated 1-12-20 (TNT through 1-10-20)	
01/13/20	Check: 354	3910019625	NCW Consulting LLC	\$525.00
			Invoice dated 1-12-20 (Moses Lake through 1-10-20)	
01/13/20	Check: 355	3910019625	Blockchain Automation LLC	\$843.75
			Invoice dated 12-31-19 (through 12-30-19)	
01/13/20	Check: 356	3910019625	Aggle LLC	\$1,820.00
			Invoice dated 1-12-20 (TNT through 1-9-20)	
01/13/20	Check: 357	3910019625	P Jaimes Consulting LLC	\$1,535.50
			Invoice dated 1-12-20 (Moses Lake through 1-10-20)	
01/13/20	Check: 358	3910019625	A Harrison Consulting LLC	\$2,400.00
			Invoice dated 1-12-20 (Moses Lake	

GIGA WATT INC. (18-03197-FPC11)
Operating Statement
 Period: 01/01/20 - 01/31/20

01/13/20	Check: 359	3910019625	through 1-10-20) S Simpson Consulting LLC	\$2,000.00
			Invoice dated 1-12-20 (Moses Lake through 1-11-20)	
01/27/20	Check: 360	3910019625	Cuttin Rugs LLC	\$6,000.00
			Invoices #45 and #46 (Moses Lake through 1-4-20)	
01/27/20	Void: 361	3910019625	NCW Consulting LLC	\$0.00
			Invoice dated 1-26-20 (TNT through 1-25-20)	
01/27/20	Check: 362	3910019625	Aggle LLC	\$2,240.00
			Invoice dated 1-26-20 (TNT through 1-24-20)	
01/27/20	Check: 363	3910019625	P Jaimes Consulting LLC	\$1,581.75
			Invoice dated 1-26-20 (Moses Lake through 1-25-20)	
01/27/20	Check: 364	3910019625	S Simpson Consulting LLC	\$2,000.00
			Invoice dated 1-26-20 (Moses Lake through 1-24-20)	
01/27/20	Check: 365	3910019625	A Harrison Consulting LLC	\$2,400.00
			Invoice dated 1-26-20 (Moses Lake through 1-24-20)	
01/27/20	Check: 367	3910019625	NCW Consulting LLC	\$5,175.00
			Invoice dated 1-26-20 (TNT through 1-25-20)	
				<u>\$37,310.48</u>
				\$37,310.48
6010-000 Other Expenses				
6010-000 Other Expenses				
01/10/20	Check: 346	3910019625	Douglas County PUD	\$42,020.00
			Account #735917, utilities for December 2019 (TNT facility)	
01/10/20	Check: 348	3910019625	LocalTel	\$110.85
			Account #61297, statement dated 12-27-19 (TNT facility)	
01/10/20	Check: 349	3910019625	Waste Management of Wenatchee	\$124.28
			Customer ID #19-19019-33003, Invoice #1850152-2674-8 (TNT)	
				<u>\$42,255.13</u>
Total Expenses				\$316,334.42
Net Income				\$57,875.98

Mr. Mark D. Waldron
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Tacoma WA 98466

RECEIVED

FEB 06 2020

Law Offices of
Mark D. Waldron, PLLC

Case Number

Case Name

Trustee Number

Trustee Name

Period Covered:
January 01, 2020 - January 31, 2020
Page 1 of 9

18-03197-FPC11

GIGA WATT INC
DEBTOR

670070

Mr. Mark D. Waldron
TRUSTEE

Questions:

800.634.7734

banking.services@stretto.com

www.stretto.com

Consolidated Balance Summary

Account	Number	Ending Balance Prior Period	Ending Balance This Period
Checking Account			
TRUSTEE CHECKING	9625	\$136,875.27	\$168,337.03
Total		\$136,875.27	\$168,337.03

TRUSTEE CHECKING

Account Number: 3910019625

Enclosures	23	Beginning Balance	\$136,875.27
		+Total Additions	\$374,210.40
		-Total Subtractions	\$342,748.64
		Ending Balance	\$168,337.03

* Indicates a Skip in Check Number(s)
"E" Indicate an Electronic Check

Checks

Check #	Date	Amount
328	01-02	\$6,600.00
336*	01-14	\$11,600.00
337	01-07	\$6,000.00
338	01-06	\$4,875.00
339	01-06	\$112.47
340	01-06	\$2,240.00
341	01-09	\$2,160.00
342	01-06	\$2,025.00
343	01-21	\$1,498.50
344	01-07	\$4,875.00
345	01-10	\$134.88
346	01-15	\$42,020.00
347	01-17	\$2,000.00
348	01-15	\$110.85
349	01-17	\$124.28
350	01-13	\$5,000.00
351	01-13	\$328.66
352	01-21	\$4,364.48
353	01-27	\$4,425.00
354	01-27	\$525.00
355	01-28	\$843.75
356	01-21	\$1,820.00
357	01-21	\$1,535.50



Debits

Date	Description	Subtractions
01-02	WIRE TO MLDC 1 LLC	\$25,000.00
01-06	WIRE TO MLDC 1 LLC	\$44,464.74
01-06	WIRE TO RANDY MICHELSON	\$25,000.00
01-10	WIRE TO MLDC 1 LLC	\$36,825.87
01-22	WIRE TO MLDC 1 LLC	\$39,524.08
01-24	WIRE TO MLDC 1 LLC	\$44,898.55
01-28	WA DEPT REVENUE TAX PYMT 200127 CCD	\$3,788.72
01-31	WIRE TO MLDC 1 LLC	\$18,028.31

Credits

Date	Description	Additions
01-02	WIRE FROM COINME INC	\$61,575.10
01-03	REMOTE DEPOSIT REF#0100021	\$9,000.00
01-09	WIRE FROM COINME INC	\$65,554.94
01-15	REMOTE DEPOSIT REF#0100022	\$13,653.90
01-16	WIRE FROM COINME INC	\$70,785.44
01-23	WIRE FROM COINME INC	\$77,552.53
01-30	WIRE FROM COINME INC	\$76,088.49

Daily Balances

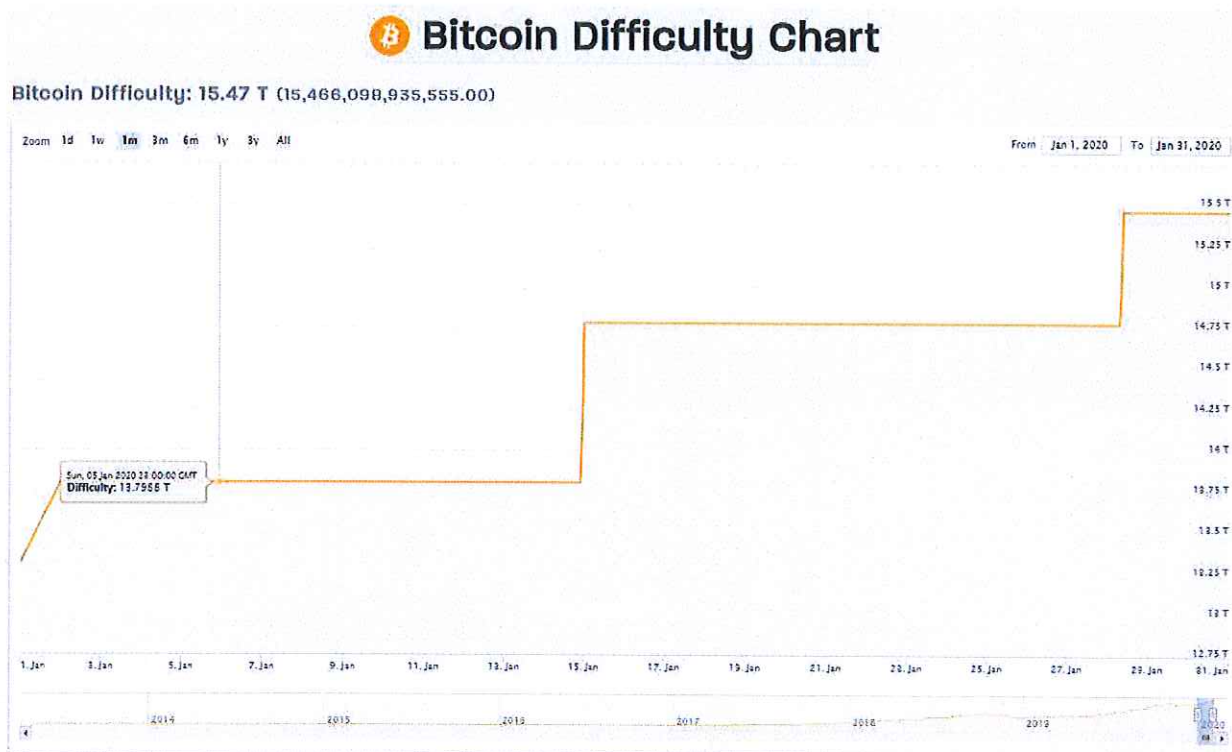
Date	Amount	Date	Amount	Date	Amount
01-02	\$166,850.37	01-03	\$175,850.37	01-06	\$97,133.16
01-07	\$86,258.16	01-09	\$149,653.10	01-10	\$112,692.35
01-13	\$107,363.69	01-14	\$95,763.69	01-15	\$67,286.74
01-16	\$138,072.18	01-17	\$135,947.90	01-21	\$126,729.42
01-22	\$87,205.34	01-23	\$164,757.87	01-24	\$119,859.32
01-27	\$114,909.32	01-28	\$110,276.85	01-30	\$186,365.34
01-31	\$168,337.03				

Executive Summary: For the calendar month of January 2020, the Moses Lake Data Center (MLDC) generated gross revenues of \$240,488 which represented a 16.2% increase in revenue from December 2019 of \$206,919.

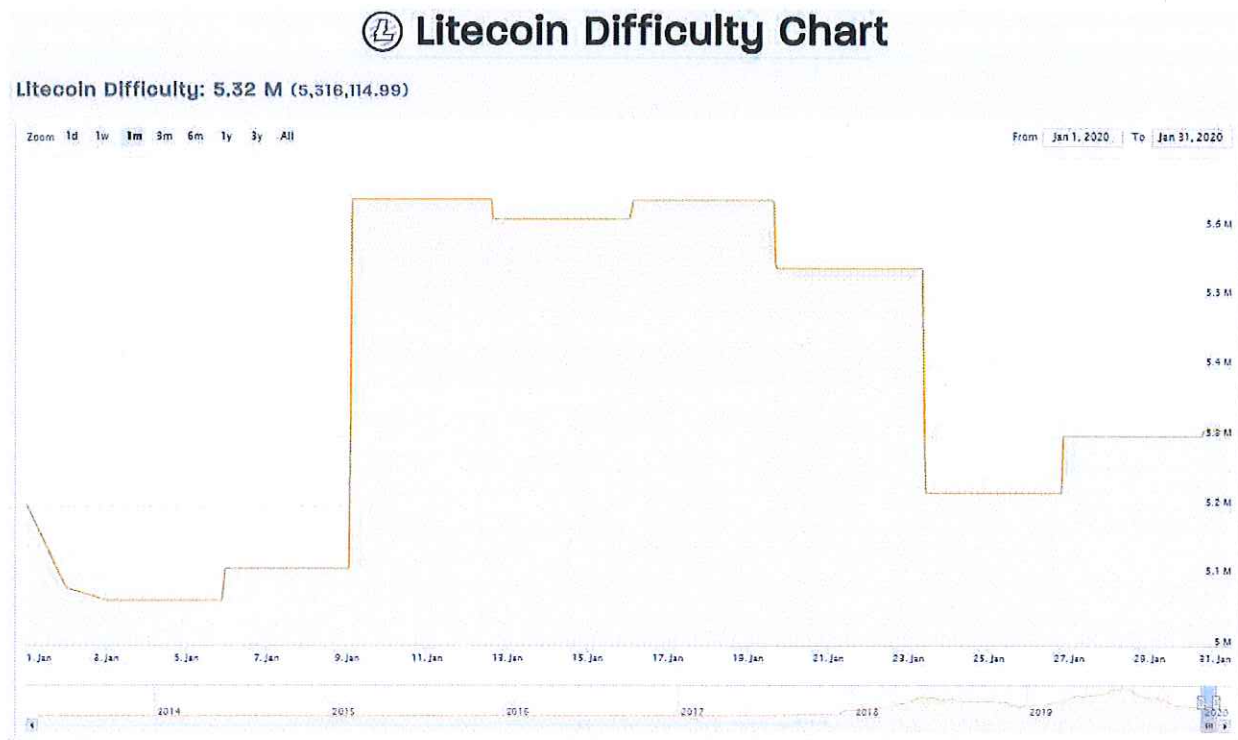
TNT generated \$85,575, a 9.5% increase in revenue from December's \$78,106 in revenue.

The total gross revenue generated combined for both sites for October was \$326,063, up 14.4% from December's number of \$285,025.

S9 Machine Mining (primarily Bitcoin): Revenues for S9s increased primarily due to an increase in Bitcoin prices in January. In January, the average daily BTC sell price grew 14.7% to \$8252/BTC from the December average daily sales price of \$7195/BTC. Difficulty continues to climb as newer technology is deployed worldwide. The difficulty jumps also appear to be getting smaller as we approach the reward halving in mid-May.

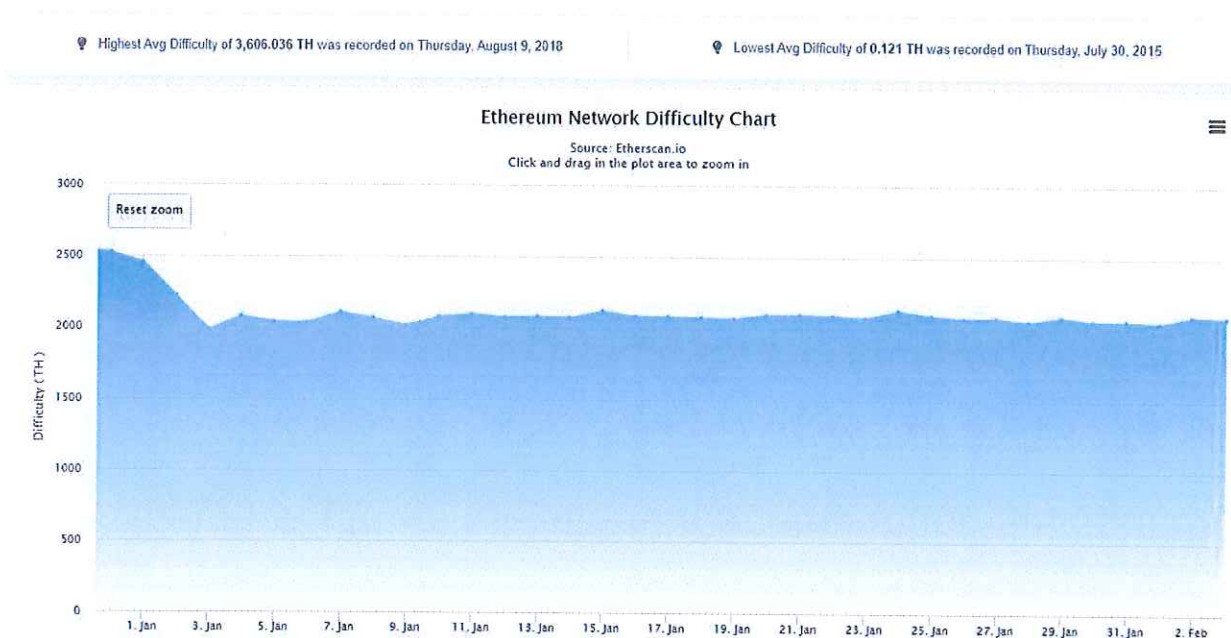


L3+ Machine Mining (primarily Litecoin): Revenues from these machines increased from December due primarily to the significant price increase in Litecoin. In January, the average daily sales price of a Litecoin was \$52.71/LTC, up 22.8% from December's daily sales price of \$42.93/LTC. While LTC difficulty took a big jump in early January, we experienced subsequent decreases in difficulty at the same time as price was increasing during the month.



GPU Mining (Ethereum & Ethereum Classic):

Revenue for GPU mining increased in December almost exclusively due to price. In January, the average sales price per Ethereum (ETH) was \$154.84, an increase of 13.5% from the December average sales price of \$136.44. Difficulty dropped approximately 20% month on month due primarily to increased mining activity for Ethereum Classic (ETC) which we also started mining in January as well. The price of an ETC coin grew from \$4.5/ETC on January 1st to \$11.3/ETC by January 31st causing a lot of ETH miners to switch mining to ETC. ETC difficulty has since jumped up significantly to make the daily returns nearly identical between ETH and ETC miners with our GPUs by the end of January.



In summary, January saw significant price increases in all currencies. Assuming the case that market prices stabilize, we can assume that mining rewards from the S9 machines (BTC) will continue to decrease due to increasing difficulty and new technology being deployed by competitors. Conversely, if BTC prices continue to recover then we can have a good run of revenue until mid-May when the scheduled halving of BTC rewards goes into effect. We still have good margins on a per machine basis so it's profitable to continue operating these S9 machines if we look solely at the net margin after the cost of power.

L3+ mining (LTC) has proven to be more resilient than expected. Just a few months back you couldn't give these used machines away and the market for these machines appears to be reawakening with a recent request for 350 machines being made. It's a reasonable assumption that miners are reinvesting in BTC mining at much larger rate than LTC equipment. LTC difficulty will increase in response to the increased prices but these machines should continue to generate healthy revenues for TNT & ML.

Finally, our GPU mining machines (mining Ethereum & Ethereum Classic), which is currently the most profitable technology to mine on a per kilowatt hour, will remain our best technology equipment going in 2020 as long as difficulty continues to grow at the sub 1% level or stays at a flat rate. There are longer term threats to this equipment, specifically an upcoming upgrade to the Ethereum network which is tentatively scheduled for July 2020, that could eliminate ETH machine mining entirely by design. We would still be able to use the GPUs by reprogramming them to mine other coins but would likely see decreased revenues over time.